(c) the quantity of cotton produced in 1995-96, 1996-97 and 1997-98 with particular reference to Gujarat and Andhra Pradesh as also the imports made during these three years?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI SOMPAL): (a) Yes, Sir.

(b) The cotton crop in many northern States like Punjab, Haryana and Rajasthan have been effected mainly by American bollworm and recently by leaf-curl virus. The Government of Rajasthan have intimated that the combined effect of incidence of American Bollworm and Leaf curl virus on the cotton crop has been devastating. Heavy and continuous rains provided favourable conditions for spread of these diseases and also inhibited the pesticidal spray operations which were rendered ineffective. There was an excessive development of foliage and reduction in size of number of cotton bolls.

The standing crop suffered from lodging of the bolls shattered flowers prematurely causing deterioration in quality due to high wind velocity. As per estimate of Government of Rajasthan, there is a production loss of about 2.5 lakh tonnes or 45% of the entire production.

As per information furnished by Government of Haryana, cotton production has gone down from 15.04 lakh bales in 1996-97 to 11.25 lakh bales in 1997-98. The main reasons are:

(i) Inclement weather in September, October and November, 1997.

(ii) Rains during maturing of bolls.

(iii) Infestation of crop with American bollworm and Leaf Curl Virus due to inclement weather.

The estimated loss of production due to Leaf Curl Virus is 7-8%, inclement weather 10—12% and pests 5%.

According to information received from Punjab Government, the total production of cotton in the State declined from 19.25 lakh bales in 1996-97 to 9.41 lakh bales in 1997-98. The main reason was heavy intermittent and prolonged rains which caused water logging and high incidence of all pests. The rains caused hindrance in timely spray operations and washing down effect of insecticides wherever sprayed.

(c) and (d) As per the information received from the Textile Ministry the import of cotton has been under open general licence at zero duty since April, 1994. Even though India is an exporter of cotton every year some spinning mills prefer to import varying quantities of cotton depending on their particular requirements. The quantity of imports varies from year to year and depends on a number of factors including the demand for domestic availability of particular varieties, differential between domestic and international prices of cotton etc.

(e) The production of cotton during 1995-96, 1996-97 and 1997-98 in India and in Gujarat and Andhra Pradesh is given below:—

Year	All India	Gujarat	Andhra Pradesh
1995-96	169.2	32.20	16.1
1996-97	177.90	34.25	18.5
1997-98 (estimated)	148.00	39.00	11.7

The import of Cotton during 1995-96, 1996-97 and 1997-98 is as under:—

1995-96	0.05 lakh bales
1996-97	0.30 lakh bales
1997-98	5.00 lakh bales

Streamlining of Agricultural Credit for the farmers

141. SHRI SOLIPETA RAMACHANDRA REDDY: Will the PRIME MINISTER be pleased to state the steps taken for effective streamlining of agricultural credit for the farmers?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI SOMPAL): With a view to

streamlining agricultural credit and to ensure its timely and adequate flow to the agriculture sector, Reserve Bank of India (RBI) and National Bank of Agriculture and Rural Development (NABARD) have taken various steps which *inter-alia* include the following:

(i) the Commercial banks have been asked to increase the flow of credit to agriculture by 25% during the year 1996-97 as compared to previous year.

(ii) with a view to strengthening the financial capability of NABARD, its capital has been raised by Rs. 1000 crores during the past two years.

(iii) Regional Rural Banks (RRBs) are being given recapitalisation support.

(iv) Banks have been advised to set up specialised agricultural branches in each State to exlusively deal with high-tech agricultural advances.

(v) Banks have been advised to extend cash credit facilities for meeting composite credit requirements of farmers having a good track record; and

(vi) with a view to improving the access of small farmers to institutional credit, NABARD has advised cooperative banks to earmark funds in favour of small, marginal and economically weak farmers.

Besides the above, other steps taken to improve the flow of credit to agriculture are:—

(i) A proposal for revamping of cooperative credit structure has been initiated.

(ii) The State Governments have been advised to constitute Standing Committee to assess the requirements of agricultural credit for the Rabi and Kharif seasons and to review the performance thereof.

(iii) Steps have also been initiated for reformulation of Multi-State Cooperative Societies Act, with a view to restrengthening the autonomy of the cooperative institutions.

(iv) Action has been initiated to amend the National Cooperative Development Corporation (NCDC) Act 1962 to give the NCDC greater operational freedom and access to resources.

(v) The Cooperative Bank of India has been registered for being set up in order to enable the cooperative credit structure to impart greater internal mobility to its resources and access to external sources of assistance.

(vi) State level Agricultural Development Finance Companies have been set up in the States of Tamil Nadu, Andhra Pradesh and Karnataka with the objective of strengthening the flow of credit for commercial or high technology agriculture, export oriented agriculture and allied activities including infrastructure support systems.

(vii) Guidelines in regard to requirement of collateral security by way of mortgage of Land/charge on land or third party guarantee have been liberalised.

(viii) State Governments have been requested to introduce Agricultural Credit Cards by the banks for farmers to enable them to secure production credit instantly.

Revision of Minimum Support Price of Kharif Crops

142. SHRI SOLIPETA RAMACHANDRA REDDY: Will the PRIME MINISTER be pleased to state:

(a) whether the Minimum Support Price (MSP) of Kharif Crops including paddy, coarse grains, pulses and groundnuts has been raised and revised; and

(b) if so, the details thereof indicating the increase in MSP and how far the